

# **EXHIBIT H**

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

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MIGUEL A. CRUZ, and John  
D. Hansen, individually  
and on behalf of all  
others similarly  
situated,

**COPY**

Plaintiffs,

Case No. C07-02050 SC

vs.

DOLLAR TREE STORES, INC.,

Defendant.

DEPOSITION OF JOHN D. HANSEN

DATE: THURSDAY, OCTOBER 11, 2007

TIME: 10:05 a.m.

LOCATION: Kauff, McClain & McGuire  
One Post Street, Suite 2600  
San Francisco, California

PREFERRED REPORTERS  
Certified Shorthand Reporters  
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Sonoma, California 95476  
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REPORTED BY: Wendy L. Van Meerbeke, CSR #3676

1 that was the most stressful and low time in my 10:18:50  
2 life. I felt I needed to get out. 10:18:53  
3 Q. This was a telephone conversation with 10:18:55  
4 Ms. Hammond? 10:18:57  
5 A. Yes. Uh-huh. 10:18:58  
6 Q. Was anyone else involved in that telephone 10:18:59  
7 conversation aside from the two of you? 10:19:02  
8 A. Not as far as I know. 10:19:03  
9 Q. Ms. Hammond placed the call to you? 10:19:04  
10 A. Yes. 10:19:06  
11 Q. Were you at store 1868 when you took the 10:19:07  
12 call? 10:19:09  
13 A. Yes. Uh-huh. 10:19:09  
14 Q. What were the reasons for your view that 10:19:14  
15 you wished to leave Dollar Tree in March of 2007? 10:19:19  
16 A. At the time, I -- I had two assistants. 10:19:24  
17 One of them didn't speak English. He was our 10:19:29  
18 freight manager. So I was covering the store a 10:19:35  
19 lot. 10:19:40  
20 Every time I needed to get a day off, 10:19:42  
21 somebody would call in sick. And it seemed to go 10:19:45  
22 on for weeks. I wasn't allowed to hire an 10:19:48  
23 assistant myself. I needed to have Rick Tellstrom 10:19:52  
24 interview that assistant. In the past, I had 10:19:59  
25 brought some people to him. He didn't take 10:20:04

1 initiative to interview these people. He moved on 10:20:08  
2 to other things. 10:20:16  
3 And every single day, I felt like he 10:20:17  
4 was -- I mean, there was direct threats of my job, 10:20:21  
5 and it felt like every day he was threatening my 10:20:26  
6 job. And I just was a miserable, nervous wreck at 10:20:29  
7 the time. 10:20:36  
8 Q. The freight manager was Mr. Baeza; is that 10:20:36  
9 right? 10:20:39  
10 A. Yes. Correct. 10:20:39  
11 Q. Did you hire Mr. Baeza, B-a-e-z-a? 10:20:41  
12 A. No. He had been working for the company 10:20:47  
13 for about close to five years, I think, at the 10:20:51  
14 time. At the time, I needed a freight manager. He 10:20:57  
15 communicated well with the people. He seemed to 10:21:00  
16 know most of what he was doing. At the time, I had 10:21:06  
17 three other assistants other than him, so it made 10:21:08  
18 sense to hire him as the freight manager to foresee 10:21:11  
19 the problems of the future. 10:21:18  
20 Q. Are you telling me, Mr. Hansen, that you 10:21:19  
21 were responsible for promoting him to freight 10:21:21  
22 manager? 10:21:23  
23 A. Correct. Yeah. I called Mike 10:21:23  
24 Cassolotto. And he was the district manager at 10:21:31  
25 the time. I felt that he was the best candidate at 10:21:34

1           A. I don't believe so. I believe I had heard       10:24:42  
2       it before.   10:24:44

3           Q. Did you hear that before she ceased           10:24:44  
4       working for Dollar Tree?                                   10:24:46

5           A. Um, I don't think she ever officially went   10:24:53  
6       by the name. I just heard the name from Mike, like   10:24:55  
7       her relatives and things like that.                   10:24:59

8           Q. So if I understand your answer, you heard   10:25:03  
9       the name Baas at a time when she was still working   10:25:05  
10      for Dollar Tree; is that right?                       10:25:07

11          A. You know, to be honest, it's really -- I   10:25:12  
12      can't recall.   10:25:17

13          Q. So one of your problems in March of 2007   10:25:17  
14      was that you had lost some assistant store           10:25:20  
15      managers; is that right?                               10:25:24

16          A. Right. I -- Kassondra for quite a while   10:25:25  
17      had been acceptable, and I felt it was time to move   10:25:36  
18      on from her. And then shortly after -- what's her   10:25:39  
19      name? Kelly Lofquist was my assistant at the time,   10:25:45  
20      who I had promoted.                                   10:25:50

21               I just felt like there was -- it was time   10:25:53  
22      for her to go, too. And I didn't -- at the time, I   10:25:56  
23      was going to accept a certain amount of               10:26:00  
24      responsibility to cover the store until we found       10:26:03  
25      somebody else. It just became such a long time,       10:26:06

1       you know, before that happened, that -- so that's       10:26:12  
2       how I ended up with the two.       10:26:19  
3           Q.   It was your decision to discharge       10:26:22  
4       Ms. Baas; correct?       10:26:25  
5           A.   Yes.   Well, of course, I had counseling       10:26:26  
6       from -- what was her name? Candace Camp and Rick.       10:26:33  
7           Q.   Ms. Camp was and is a regional human       10:26:38  
8       resource person; correct?       10:26:43  
9           A.   Yes.       10:26:44  
10          Q.   Was it your practice, when you were       10:26:45  
11       discharging an employee at your store, to consult       10:26:48  
12       with Ms. Camp?       10:26:51  
13          A.   Yes.       10:26:54  
14          Q.   Is it correct that that consultation       10:26:57  
15       consisted of you telling Ms. Camp what the       10:26:59  
16       performance problems were and Ms. Camp saying, "I       10:27:01  
17       think your decision to terminate is appropriate"?       10:27:04  
18          A.   Correct.       10:27:06  
19          Q.   Did Ms. Camp ever come down to the store       10:27:08  
20       and do an independent investigation with respect to       10:27:11  
21       your reasonings?       10:27:13  
22          A.   No.   I don't believe she has ever been to       10:27:17  
23       the store.       10:27:20  
24          Q.   So she has never been to the store for any       10:27:20  
25       reason; is that right?       10:27:23

1 A. That's correct. 10:27:24

2 Q. Did Mr. Tellstrom ever come to the store 10:27:25

3 and conduct an independent investigation of your 10:27:28

4 reasons concerning Ms. Baas? 10:27:32

5 A. Um, not necessarily concerning those. He 10:27:35

6 would come in and check conditions at the store. 10:27:37

7 Q. Is it correct you were keeping him 10:27:39

8 apprised of personnel issues that you were having 10:27:42

9 with Ms. Baas? 10:27:43

10 A. Uh-huh. 10:27:44

11 Q. Is that right? 10:27:44

12 A. Correct. 10:27:45

13 Q. We could have a little jar in which you 10:27:46

14 put a penny every time you do that. 10:27:49

15 A. I have a feeling you have to keep 10:27:52

16 reminding me, I know. It's such a habit. 10:27:53

17 Q. You would have avoided this problem of not 10:28:03

18 having any assistant managers had you delayed the 10:28:06

19 terminations of Ms. Baas and Ms. Lofquist; is that 10:28:08

20 right? 10:28:12

21 A. Yes. 10:28:12

22 Q. But you felt that it was important to get 10:28:13

23 different people in those positions? 10:28:16

24 A. Yes. I felt it had been delayed long 10:28:17

25 enough. 10:28:21

1 Q. So 2262 is physically larger? 10:45:46

2 A. Uh-huh. 10:45:49

3 Q. Is that right? 10:45:50

4 A. Correct. 10:45:50

5 Q. Substantially physically larger? 10:45:51

6 A. Yes. It's probably three times the size 10:45:53

7 or -- I wouldn't say maybe that much, but, yeah, it 10:45:55

8 feels like it is. 10:45:59

9 Q. Dollar Tree categorizes its retail 10:46:00

10 locations in a variety of categories. What was the 10:46:04

11 category for 1868? 10:46:09

12 A. Um, you know, it depended on -- it was 10:46:11

13 either categorized (sic) as a small store or a large 10:46:15

14 store. Because I always went into the back and 10:46:20

15 categorized it as a large store because we always 10:46:23

16 did so much volume, so I tried to make my sets 10:46:27

17 according to what they recommended. 10:46:29

18 Q. So you decided to call your store the 10:46:31

19 large store? 10:46:34

20 A. Yeah. 10:46:34

21 Q. Did anyone ever tell you you couldn't do 10:46:34

22 that? 10:46:36

23 A. Um, Rick was actually very back and forth 10:46:37

24 on it. 10:46:40

25 Q. So you were stuck with a large store? 10:46:42



1           A. Yeah. I would say to do a large display           10:46:46  
2           and he'd say, "No, no. That's for a large store.           10:46:49  
3           You're a small store."           10:46:52

4           Another time if I didn't have one done           10:46:53  
5           that was supposed to be for a large store, he'd be           10:46:56  
6           upset about that. I'm not sure where we stood on           10:46:58  
7           that.           10:47:04

8           Q. I gather Mr. Tellstrom is not one of your           10:47:04  
9           favorite people; is that right?           10:47:06

10          A. Um, up until the last month, he was           10:47:07  
11          probably the worst human being in my life, yes, at           10:47:09  
12          the time.           10:47:14

13          Q. You felt he wasn't supportive of you?           10:47:14

14          A. Never, never.           10:47:16

15          Q. You felt he didn't give you enough           10:47:17  
16          assistance in getting people on board; is that           10:47:18  
17          right?           10:47:22

18          A. Correct.           10:47:22

19          Q. And that then affected your ability to           10:47:22  
20          manage the store; correct?           10:47:24

21          A. Correct. That, and the way he treated me           10:47:25  
22          was -- I didn't feel -- I felt like -- I worked for           10:47:29  
23          him at 2262. I was an assistant under him. And I           10:47:34  
24          went above his head to get the job -- to get 1868.           10:47:38  
25          I didn't ask him because he wasn't training me at           10:47:42

1 something like that. 10:54:53

2 Q. At 1868, you had up to four assistant 10:54:55

3 managers; is that right? 10:55:01

4 A. Yeah. 10:55:02

5 Q. How many associates did you have? What 10:55:02

6 was the range? 10:55:05

7 A. I probably had 12, 13, I would say, 10:55:06

8 depending on the time, depending on the season, of 10:55:19

9 course. 10:55:22

10 Q. Was it your decision as to how many 10:55:22

11 associates you should have? 10:55:25

12 A. Um, yeah, as far as regular paid 10:55:25

13 associates. Yes. That was me to staff the store. 10:55:29

14 Q. Was it your decision as to how many 10:55:35

15 assistant managers you should have? 10:55:36

16 A. No. 10:55:38

17 Q. Did you consult with your district manager 10:55:38

18 with respect to that position? 10:55:41

19 A. Um, yes. I would have -- everything had 10:55:42

20 to go through him. 10:55:46

21 Q. When you say, "everything," what do you 10:55:47

22 mean? 10:55:49

23 A. Any hiring of the assistant managers had 10:55:49

24 to go through him. 10:55:54

25 Q. Did you ever hire an assistant manager 10:55:55

1 detailed the way I want it, and hopefully they can 11:01:51  
2 follow the details. 11:01:56

3 Q. What are you drawing out? 11:01:57

4 A. Um, I put on a piece of paper -- I'll put, 11:01:59

5 you know, in this section this is the way I want it 11:02:05

6 to look. Our store doesn't exactly follow the map 11:02:07

7 because it's just constructed differently than what 11:02:10

8 the map shows. So I have to actually say in this 11:02:13

9 section goes this, in this section goes this, in 11:02:17

10 this section goes this, and make sure they put it 11:02:20

11 in the right place, because that way when the next 11:02:22

12 set comes in, it flows and things like that. 11:02:24

13 Q. So Dollar Tree merchandising people give 11:02:27

14 you a recommended map for various seasonal 11:02:32

15 displays; is that right? 11:02:35

16 A. Correct. 11:02:35

17 Q. But in 2262, the store doesn't configure 11:02:36

18 with that map, so you draw your own? 11:02:40

19 A. Correct. Yes. 11:02:42

20 Q. And was that the case in 1868 as well? 11:02:44

21 A. Yeah. Just the classification. Like I 11:02:46

22 said before, there's maps of a small store, a large 11:02:53

23 store and a race track store. The qualifying for 11:02:56

24 1868 we could never figure out, so I always went by 11:02:58

25 the large map. 11:03:03

1 I felt that the attitude I brought to the 11:08:26  
2 place changed the aura of the whole store. I felt 11:08:29  
3 I had a very positive attitude. I felt that was 11:08:32  
4 the reason I was so successful. 11:08:36

5 Q. As I understood your answer, one of the 11:08:41  
6 things you did was make sure you kept track of the 11:08:43  
7 customer volume and flow and made sure you directed 11:08:45  
8 cashiers to the cash registers if you needed more 11:08:49  
9 cashiering; is that right? 11:08:54

10 A. Um, yeah. I tried -- during the busiest 11:08:56  
11 times, I tried to have an appropriate amount of 11:08:58  
12 cashiers, but that wasn't always possible. 11:09:00

13 Q. So we're talking about two different 11:09:04  
14 things; aren't we? We're talking about your 11:09:05  
15 scheduling to start with, and then we're talking 11:09:07  
16 about just observing what's going on in your store 11:09:10  
17 and making sure people are at a place to cashier? 11:09:12

18 A. Right. Uh-huh. 11:09:15

19 Q. And how did you do the scheduling? Did 11:09:16  
20 you actually review what your store's busiest hours 11:09:19  
21 were? 11:09:22

22 A. Um, Compass was supposed to be able to do 11:09:22  
23 that. I didn't feel like it was working the way it 11:09:26  
24 should have. Mostly, it just seemed to be, um, 11:09:29  
25 filling a hole where a hole needed to be filled, 11:09:33

1 and I could do that myself. 11:09:35

2 Um, it's -- it was supposed to show you 11:09:37

3 where the busiest time was and things like that, 11:09:40

4 um, and put your best cashier in at that time. To 11:09:43

5 me, it just didn't seem to work that way. Um -- 11:09:45

6 Q. How did you schedule then not using 11:09:49

7 Compass or around Compass? 11:09:52

8 A. I mostly scheduled to make sure that on 11:09:55

9 the -- you know, on the weekends, there was one 11:09:57

10 extra cashier during the busiest time, and then the 11:09:59

11 rest of the time, I tried to schedule my employees 11:10:02

12 to where there was an overlap where they were 11:10:05

13 supposed to have lunch and where they were supposed 11:10:08

14 to have, um, a change in the guard, so to speak. 11:10:10

15 Um, and that was the only way -- because I 11:10:14

16 had to have them pretty much back to back, the 11:10:18

17 cashiers, that was the only way I really saw the 11:10:20

18 best way. And it worked pretty well. 11:10:24

19 Q. Can you describe to me how you physically 11:10:26

20 did that? Did you sit down Monday with a list of 11:10:28

21 all of your employees? 11:10:32

22 A. Actually, once I had a set thing, I just 11:10:33

23 went with it. 11:10:36

24 Q. How did you do the set thing? 11:10:36

25 A. I just pretty much figured out how much 11:10:38

1 I never wanted to have to do that to 11:15:15  
2 anybody. 11:15:17

3 Q. I gather that the theory of SPEH made 11:15:20  
4 sense to you; you just felt the sales projections 11:15:26  
5 were just too high; is that right? 11:15:28

6 A. Yes. Very much so. I felt you should 11:15:30  
7 have been rewarded for having higher sales with 11:15:33  
8 more hours and not punished. I remember hitting 15 11:15:36  
9 percent in increase one time and I had to cut 11:15:39  
10 hours. And I felt like that was just -- it wasn't 11:15:42  
11 like a seasonal thing. It was just our store was 11:15:45  
12 doing extremely well. And I didn't feel like that 11:15:47  
13 was rewarding. Let's put it that way. 11:15:50

14 THE VIDEOGRAPHER: The time is 11:16:07  
15 approximately 11:16 a.m. We are now off the 11:16:10  
16 record. 11:16:13

17 (Recess taken.) 11:16:14

18 THE VIDEOGRAPHER: The time is 11:30:51  
19 approximately 11:30 a.m. We are back on the 11:30:52  
20 record. 11:30:56

21 MS. McCLAIN: 11:30:58

22 Q. You said that your relationship with 11:30:59  
23 Tellstrom was better now. Did I hear that 11:31:01  
24 correctly? 11:31:03

25 A. Um, in the last month I'd say, yeah, 11:31:04

1 I believe I'm going to have, and this is what I'm 11:40:51  
2 going to go with. And that's -- that's how I made 11:40:53  
3 the schedule. 11:40:56

4 Q. Isn't it correct that when the sales fall 11:40:57  
5 below projections, the district manager will say to 11:41:01  
6 you, "We're going to need to cut hours"? Is that 11:41:06  
7 right? 11:41:11

8 A. Correct. Well, yeah, I guess so. Uh-huh. 11:41:11

9 Q. And you're expected as a manager to be 11:41:13  
10 watching how the projections are comparing to the 11:41:16  
11 actual sales during the course of a week; correct? 11:41:21

12 A. Correct. 11:41:23

13 Q. You're expected to then adjust employee 11:41:23  
14 schedules and hours in accordance with actual 11:41:29  
15 sales; correct? 11:41:31

16 A. Well, every day, I would, you know, do the 11:41:31  
17 sales and do the -- and find out where I'm at. I'd 11:41:37  
18 like to always be ahead a little bit. So that was 11:41:41  
19 the other reason that -- because, usually your busy 11:41:44  
20 day is Saturday. If you want to add on some hours, 11:41:47  
21 that's the best time to do it because you can add 11:41:49  
22 on a stocker or this or that. 11:41:52

23 I always try to be ahead before I get to 11:41:55  
24 the end of the week. And then, you know, depending 11:41:57  
25 on what happened -- but a lot of times, regardless 11:42:00

1 of what happened at my store, I would still get a 11:42:02  
2 call because something would happen at a different 11:42:05  
3 store and we would need to cut hours. 11:42:08

4 Q. But no one ever told you how to cut those 11:42:12  
5 hours; did they? That was up to you? 11:42:14

6 A. I was told to cut stocking sometimes. 11:42:18  
7 Yeah. 11:42:20

8 Q. But usually, it was just a general, "We 11:42:21  
9 need to get hours in line with sales"; correct? 11:42:24

10 A. It just said, "Cut immediately." 11:42:26

11 Q. That was up to you? 11:42:29

12 A. It was supposed to be up to me. Like I 11:42:30  
13 said, I had pretty much planned on that, I guess. 11:42:32

14 Q. And there are a number of ways as a store 11:42:40  
15 manager; correct? You can tell somebody not to 11:42:44  
16 come in? 11:42:46

17 A. Uh-huh. 11:42:47

18 Q. You can tell people to go home early; 11:42:47  
19 right? You cannot schedule someone for that 11:42:50  
20 particular week; right? There are lots of 11:42:52  
21 different ways to do that? 11:42:54

22 A. Mostly, unfortunately the way it was, 11:42:55  
23 things were pretty bang, bang, bang. If you ever 11:43:02  
24 had to cut somebody, there's only one person that 11:43:05  
25 could have taken that position, and that was the 11:43:08



1 MS. McCLAIN: 11:45:42

2 Q. Is this one of your schedules, Mr. Hansen? 11:45:42

3 A. It has my name on it. 11:45:46

4 Q. This is right after you became the store 11:45:47

5 manager; is that right? 11:45:50

6 A. Um, I think I had just entered -- well, it 11:45:51

7 has me in there as the store manager. Yeah. It 11:45:55

8 must have been my first schedule. 11:46:00

9 Q. This is a schedule that you actually 11:46:01

10 prepared in this computer program called Compass; 11:46:04

11 is that right? 11:46:07

12 A. Correct. 11:46:08

13 Q. You prepared these scheduled hours? Do 11:46:10

14 you actually type them in? 11:46:13

15 A. Um, somewhat. Compass does make the 11:46:14

16 cashiers' schedule by itself. 11:46:23

17 Q. You make the stocking schedule and the 11:46:25

18 assistant manager's schedule; is that right? 11:46:27

19 A. Uh-huh. Correct. 11:46:29

20 Q. Looking at August 1, it looks to me like 11:46:33

21 there was a managers meeting; is that correct? 11:46:38

22 A. Let's see. Yes. 11:46:41

23 Q. And is that a meeting that you scheduled? 11:46:43

24 A. Um, yes. 11:46:48

25 Q. Did you hold managers meetings regularly 11:46:50

1 Q. When you see that, do you change one of 01:42:29  
2 the schedules? 01:42:33

3 A. Yes. I'll adjust somebody's schedule to 01:42:33  
4 fill the gap or -- or add a cashier down here and 01:42:35  
5 bump what I can. I usually have to add a little 01:42:39  
6 bit of cashiering to try to fill the gaps, so to 01:42:41  
7 speak. 01:42:45

8 Q. Is it correct then that the Compass 01:42:45  
9 scheduling of cashiers is subject to your change? 01:42:48  
10 You can alter it? 01:42:52

11 A. Yeah. They -- they ask that you don't, 01:42:53  
12 but I don't see any way that you could not change 01:42:56  
13 it. 01:42:58

14 Q. Who asked that you don't do it? 01:43:02

15 A. Well, Rick would always say, "Just leave 01:43:03  
16 what is there." After -- I think he has changed 01:43:06  
17 his mind after showing him several times that it 01:43:09  
18 just wouldn't work. 01:43:11

19 Q. In any event, Rick says to you, "Leave it 01:43:12  
20 as it is," and you don't agree with it so you make 01:43:16  
21 changes; is that right? 01:43:19

22 A. Yeah. Correct. 01:43:21

23 Q. Is it your pattern to spend a good part of 01:43:21  
24 Monday in the office doing these kinds of 01:43:28  
25 activities? 01:43:31

1       you have access to in your car, at your home or       02:01:05  
2       wherever?       02:01:09  
3             A. Yeah. I don't keep these in my       02:01:10  
4       personal -- I leave them at the store.       02:01:14  
5             Q. Have you ever been threatened with       02:01:15  
6       discipline if you didn't meet the SPEH number?       02:01:20  
7             A. Oh, yeah.       02:01:24  
8             Q. On how many occasions?       02:01:25  
9             A. Um, it was constant.       02:01:32  
10            Q. This is Mr. Tellstrom?       02:01:35  
11            A. Yeah.       02:01:36  
12            Q. What did he say?       02:01:37  
13            A. Um, I don't really recall. I just       02:01:40  
14       remember it always being, um, you know, "You need       02:01:45  
15       to hit your" -- I mean, Rick micromanaged quite a       02:01:51  
16       bit, I mean, calls all the time. And he would       02:01:55  
17       cover the same things all the time. And, you know,       02:01:59  
18       "How's your hours? How's this? You're going to       02:02:03  
19       get written up."       02:02:12  
20            Q. Were you ever written up for not meeting       02:02:13  
21       SPEH?       02:02:15  
22            A. I think later on I finally was.       02:02:15  
23            Q. Are you sure about that?       02:02:17  
24            A. Yeah. I do remember signing one, but it       02:02:18  
25       was more recently.       02:02:22

1 Q. When you were at 2262? 02:02:23

2 A. No. I was at 1868. 02:02:26

3 Q. And was not meeting hours one of the list 02:02:27

4 of items or was it the only item? 02:02:31

5 A. I believe that was the only item on that 02:02:34

6 write-up. Yeah. 02:02:36

7 Q. So the only discipline you recall having 02:02:38

8 with respect to not meeting payroll hours was one 02:02:40

9 write-up, is that right, and verbal discussions 02:02:47

10 with Mr. Tellstrom? 02:02:50

11 A. Uh-huh. 02:02:51

12 Q. You say he micromanaged. How often did he 02:02:52

13 call you? 02:02:56

14 A. Pretty much every day, it seemed like. 02:02:56

15 Q. Once a day? 02:02:58

16 A. Uh-huh. At least. 02:02:59

17 Q. Is he still following that pattern now 02:03:02

18 that you're at 2262? 02:03:05

19 A. Um, it doesn't feel like it. Maybe it's 02:03:07

20 because his tone has changed quite a bit. It 02:03:12

21 doesn't feel like he's calling me every day. I 02:03:15

22 still get calls from him quite frequently. 02:03:18

23 Q. Do you still think he's in micromanagement 02:03:21

24 mode? 02:03:25

25 A. Um, a little bit, but very little compared 02:03:26

1 to what he was. Um, he doesn't drill me like he 02:03:31  
2 used to. 02:03:34

3 Q. When Mr. Tellstrom called you, would he 02:03:42  
4 call you on the store telephone, on the cell? What 02:03:45  
5 was his normal pattern? 02:03:48

6 A. Um, no, he would call me -- well, he would 02:03:49  
7 call me on the store phone. There was a lot of 02:03:52  
8 times on my day off where I could get calls from 02:03:55  
9 him on my cell phone saying I had to go in and do 02:03:57  
10 something with payroll or something, so -- 02:04:00

11 Q. When he called you at the store, would you 02:04:06  
12 go into the office to take the phone call? 02:04:10

13 A. Usually, because he would be asking me 02:04:12  
14 questions about numbers and things like that. 02:04:15

15 Q. Would you generally handle those phone 02:04:17  
16 calls on a private basis? It was only you in the 02:04:19  
17 office? 02:04:23

18 A. Yeah, usually, because I didn't want 02:04:24  
19 everybody else to hear what I was going to say. 02:04:26

20 Q. Can you estimate for me the amount of time 02:04:28  
21 you spent talking to Mr. Tellstrom on a daily 02:04:34  
22 basis? 02:04:36

23 A. I'd say at the most a half an hour. 02:04:41

24 Q. A half an hour a day? 02:04:43

25 A. At the absolute most. You know, some 02:04:45

1 presence -- I felt more work would have been done 02:13:45  
2 by everybody else, and I was that extra added work 02:13:49  
3 that could -- made sure that everything got done. 02:13:52  
4 And it was also done in a manner to -- the way I 02:13:56  
5 wanted it so -- 02:14:01

6 Q. Were you illustrating that to the stocking 02:14:02  
7 crew? Were you, in essence, training them when you 02:14:04  
8 did that? 02:14:07

9 A. Um, no, I think it was more of, you know, 02:14:07  
10 they knew what they needed to do. Most of them had 02:14:18  
11 been trained to that point. 02:14:24

12 Q. You said, "And it was then done in a 02:14:24  
13 manner in the way I wanted it." How did you 02:14:28  
14 illustrate that? 02:14:34

15 A. Just that, let's say, occasionally they 02:14:35  
16 would put things in the wrong place like, you know, 02:14:38  
17 the Dollar Tree has their ways of doing things. 02:14:42  
18 There's not supposed to be something in this 02:14:46  
19 basket. There's supposed to be -- things are 02:14:48  
20 supposed to be pegged, things like that. It's just 02:14:50  
21 certain things that Dollar Tree likes to have the 02:14:54  
22 way they like to have things. 02:14:57

23 So, you know, people get lazy 02:14:58  
24 occasionally, so I just wanted to make sure they 02:15:03  
25 were doing it correctly, not to say that my freight 02:15:05

1 A. Um, it was mostly in the computer, um, 02:58:56  
2 evaluating the -- you can put in your evaluation in 02:59:00  
3 there. So I just kept it in the computer. 02:59:03

4 Q. How did you decide starting hourly rates 02:59:05  
5 for associates? 02:59:10

6 A. Um, most everybody got the same. It was 02:59:11  
7 pretty standard. 02:59:20

8 Q. Did you have any ability to vary from that 02:59:21  
9 standard? Did you ever do that? 02:59:25

10 A. No, not really. I would -- there was 02:59:26  
11 maybe a few cents here and there that I could do 02:59:30  
12 more. Most of the time I gave everybody the exact 02:59:35  
13 same amount, the highest that I could at the time. 02:59:38  
14 It was only 7.35 when I first started, and then 02:59:41  
15 when minimum wage went up, it was at 8 and I 02:59:44  
16 couldn't do any higher -- no, not 8. It was 7.50. 02:59:47  
17 I think I can do 7.75 now. I haven't hired many 02:59:52  
18 people recently. 02:59:56

19 Q. Assistant managers had more of a pay 02:59:57  
20 range; is that right? 03:00:04

21 A. That was completely up to Rick. 03:00:05

22 Q. The district manager would make the 03:00:06  
23 decision with respect to the salary on an 03:00:08  
24 assistant -- 03:00:12

25 A. Correct. 03:00:13

1 THE REPORTER: I'm sorry. Could you -- I  
2 didn't hear the question.

3 MS. McCLAIN: 03:00:14

4 Q. Was that the case with respect to 03:00:14

5 Ms. Lofquist? Did the district manager make the 03:00:21

6 decision as to her hiring salary or did you? 03:00:25

7 Hiring wage. 03:00:30

8 A. Yes. Mike Cassolotto, um, made that 03:00:30

9 decision. 03:00:34

10 Q. Did you make any recommendations? 03:00:35

11 A. I don't recall. 03:00:37

12 Q. You don't recall one way or the other; is 03:00:38

13 that right? 03:00:42

14 A. No. Correct. 03:00:42

15 Q. When you performed employee evaluations, 03:00:43

16 did those evaluations result in an associate 03:00:48

17 getting a pay raise? 03:00:52

18 A. Um, it wasn't up to me. It was -- I'd put 03:00:53

19 in the evaluation, that I believed they deserved 03:00:58

20 one, and then I would send that to Rick. I would 03:01:03

21 e-mail Rick, letting him know that that's what I 03:01:06

22 wanted to have happen. 03:01:09

23 Q. These were evaluations you completed 03:01:09

24 online; is that right? 03:01:11

25 A. Uh-huh. Yeah. 03:01:12



1 Q. You said, "Pretty much everything was up 03:03:23  
2 to me as to where it should go." You really 03:03:30  
3 decided where the stock went; is that right? 03:03:34  
4 A. That, and the planner book. Yes. 03:03:38  
5 Q. That you would have gotten through the  
6 planner book; correct?  
7 A. Yes. 03:03:45  
8 Q. You said you made recommendations with 03:03:45  
9 respect to pay raises in e-mail form to 03:03:47  
10 Mr. Tellstrom? 03:03:51  
11 A. Uh-huh. 03:03:51  
12 Q. Did he accept your recommendations, as a 03:03:52  
13 rule? 03:03:57  
14 A. They just kind of went -- never heard back 03:03:57  
15 from him. 03:04:00  
16 Q. You don't know? 03:04:01  
17 A. Um, it was -- one time it took, I think, 03:04:01  
18 three or four months before he even -- it seemed 03:04:05  
19 like he even wanted to address them, so -- 03:04:09  
20 Q. After he got around to it, did he accept 03:04:12  
21 your recommendations? 03:04:14  
22 A. Um, he was trying to be, I guess, thorough 03:04:15  
23 about whether or not these people really needed to 03:04:21  
24 get raises or deserved it. Some -- some of them 03:04:23  
25 got them. Some of them didn't. 03:04:28

1 Q. He asked you more questions about -- 03:04:31

2 A. He didn't ask me. He would call HR, I 03:04:32

3 guess, and see whether they were qualified for it 03:04:36

4 or whatever. 03:04:38

5 Q. So sometimes he accepted your 03:04:38

6 recommendations? Sometimes he didn't; is that 03:04:40

7 right? 03:04:43

8 A. Uh-huh. 03:04:43

9 Q. And we'd have to look at each situation to 03:04:43

10 know what that was? 03:04:48

11 A. Yeah. 03:04:49

12 Q. And do you have those e-mails that you 03:04:49

13 sent to him? 03:04:53

14 A. No. I had nothing -- I couldn't -- if I 03:04:54

15 sent an e-mail, I'd have to print every single one 03:04:57

16 out. It -- it would be sent and disappear from my 03:05:03

17 system. I would never have a sent e-mail. I'd 03:05:07

18 never have any record of what I sent. 03:05:11

19 Q. It was your habit not to print them out; 03:05:12

20 is that right? 03:05:15

21 A. Unfortunately, no. 03:05:15

22 Q. Unfortunately, no, you didn't print them 03:05:17

23 out? 03:05:20

24 A. No. 03:05:21

25 Q. Let's talk now some about your function of 03:05:24

1 flexibility anywhere. Nobody could be moved around 04:08:41  
2 because all the shifts were already covered. 04:08:45  
3 Q. How many cash registers did you normally 04:08:49  
4 have operating at 1868? 04:08:51  
5 A. Two. 04:08:53  
6 Q. Were there times when you only had one 04:08:55  
7 open? 04:08:57  
8 A. Most of the time it was only one until the 04:08:57  
9 next one needed to be open. 04:08:59  
10 Q. So one to two? 04:09:01  
11 A. One to two. Uh-huh. 04:09:03  
12 Q. With regard to accounting, it was really 04:09:12  
13 your responsibility to know all the facts and 04:09:15  
14 figures about that store; right? 04:09:18  
15 A. Sure. 04:09:20  
16 Q. The sales, the number of employee hours, 04:09:20  
17 the deposits, everything that went into that 04:09:24  
18 business; is that right? 04:09:28  
19 A. Uh-huh. As much as I could see, you know. 04:09:29  
20 As much information as they allowed me to look at. 04:09:36  
21 Q. What information were you missing; do you 04:09:38  
22 know? 04:09:41  
23 A. I just never saw -- before, I never saw a 04:09:41  
24 margin. I never saw how much anything cost. I 04:09:43  
25 never saw how much even a piece of paper cost that 04:09:46

1 I would use in the office. You know what I'm 04:09:49  
2 saying? Our stuff -- I didn't see any profit and 04:09:51  
3 loss whatsoever. 04:09:55  
4 Q. So you were happy to have the margin 04:09:55  
5 information? 04:09:57  
6 A. Yeah. It just makes me feel like I'm a 04:09:58  
7 little more involved, you know. 04:10:01  
8 Q. It makes you evaluate your product mix 04:10:04  
9 better; is that right? 04:10:07  
10 A. Correct. 04:10:08  
11 Q. And makes you make some decisions as to -- 04:10:08  
12 allows you to make some decisions as to what 04:10:14  
13 product to really focus on? 04:10:17  
14 A. Right. 04:10:18  
15 Q. Productivity. I think we saw in your 04:10:19  
16 description of your responsibilities in your resume 04:10:27  
17 that you considered encouraging employees and 04:10:28  
18 improving employee morale to be a primary function 04:10:36  
19 of yours; is that right? 04:10:38  
20 A. Absolutely. 04:10:39  
21 Q. Payroll and time records. It was 04:10:41  
22 absolutely your final responsibility, was it not, 04:10:44  
23 to approve time records? 04:10:47  
24 A. To -- are you saying -- 04:10:51  
25 Q. To look at all of the punches in the store 04:10:56

1 having responsibility for leadership as well? 04:12:55

2 A. Absolutely. 04:12:58

3 Q. This was not a function that was required 04:12:59

4 of hourly associates; is that right? 04:13:04

5 A. Correct. 04:13:07

6 Q. Communicate company policies to sales 04:13:07

7 associates. Was that a responsibility that you 04:13:14

8 had? 04:13:16

9 A. Um, that, and making sure that they had 04:13:16

10 the documentation of each of them. Yeah. 04:13:23

11 Q. You were responsible for getting the 04:13:25

12 sign-offs on anything that needed to be 04:13:29

13 communicated to hourly employees? 04:13:30

14 A. Sure. Uh-huh. 04:13:32

15 Q. And we certainly talked about your overall 04:13:34

16 responsibility to make sure that associates 04:13:38

17 complied with company policy? 04:13:40

18 A. Yes. 04:13:42

19 Q. Number ten. Did you do all of that? 04:13:48

20 A. Like I said, I never saw an expense 04:13:51

21 report, so no. Profit -- I never saw anything like 04:13:56

22 that. Review reports, analyze -- analyze 04:14:02

23 competition. 04:14:08

24 Q. Did you wander around to your competition 04:14:09

25 to see what they were doing from time to time? 04:14:12

1	A. Well, I just assumed as far as I could go	04:18:56
2	with it.	04:18:58
3	Q. You called Candace?	04:18:59
4	A. I did call Candace about it. Um, Rick	04:19:00
5	needed to follow through with the disciplinary	04:19:03
6	action of Kassondra, but it never happened.	04:19:06
7	Q. As I understood your testimony, you	04:19:08
8	essentially were responsible for initiating the	04:19:11
9	termination; is that right?	04:19:15
0	A. Um, yes.	04:19:16
1	Q. Did you call the customer by telephone?	04:19:19
2	A. Yeah, I believe I did. Yes.	04:19:23
3	Q. Other than talking to the customer about	04:19:25
4	it and apologizing, is there anything else you did	04:19:27
5	to resolve that complaint?	04:19:30
6	A. Um, that was all I could do. Uh-huh.	04:19:31
7	Q. You didn't offer them a bunch of cups?	04:19:34
8	A. No.	04:19:39
9	MR. FIETZ: Plates. They didn't have the	04:19:40
0	plates.	04:19:42
1	THE WITNESS: I told them, "Everything is	04:19:42
2	a dollar. Go for it." No.	04:19:44
3	MS. McCLAIN:	04:19:47
4	Q. I thought it was the cups that were left.	04:19:47
5	Is that right? Did I have that wrong?	04:19:49

1           A. Um, I didn't really understand it as any           04:52:45  
2           policy. I just --           04:52:47  
3           Q. You thought it was wrong?           04:52:52  
4           A. I thought it was wrong. I didn't want to           04:52:53  
5           do it any longer. If I did it, it was because I           04:52:55  
6           felt an enormous amount of pressure to not have           04:52:58  
7           any.           04:53:07  
8           Q. Who was the employee in question?           04:53:07  
9           A. I actually don't recall who exactly it may           04:53:09  
10          have been.           04:53:14  
11          Q. So you felt that the overtime was           04:53:14  
12          scrutinized and felt pressure not to have           04:53:18  
13          associates working; correct?           04:53:23  
14          A. Correct.           04:53:25  
15          Q. Because overtime is discouraged for hourly           04:53:26  
16          employees; correct?           04:53:31  
17          A. Correct.           04:53:32  
18          Q. And that makes sense to you; doesn't it?           04:53:33  
19          A. Yes.           04:53:35  
20          Q. One can have just a productive hour of           04:53:35  
21          straight time if you schedule people on straight           04:53:39  
22          time correctly; correct?           04:53:41  
23          A. Correct.           04:53:42  
24          Q. The person who was putting pressure on you           04:53:44  
25          with respect to not having overtime is           04:53:51

1 Mr. Tellstrom? 04:53:53

2 A. Yes. Like I said, my job was being 04:53:59

3 threatened all the time. 04:54:02

4 Q. Was it anyone other than Mr. Tellstrom? 04:54:03

5 A. No. 04:54:07

6 Q. Was the pressure with respect to overtime 04:54:07

7 any different than what you viewed to be 04:54:09

8 Mr. Tellstrom's kind of overall micromanagement of 04:54:11

9 you and the pressure? Does that make sense? 04:54:15

10 MR. FIETZ: The question is vague. 04:54:19

11 MS. McCLAIN: 04:54:20

12 Q. Throughout the day, you've told us that 04:54:21

13 Mr. Tellstrom was on you about payroll hours and he 04:54:22

14 was on you about the store not being cleaned. He 04:54:26

15 was on you about personnel decisions or whatever. 04:54:29

16 A. Yeah. 04:54:33

17 Q. That he was kind of generally on your 04:54:33

18 case. 04:54:35

19 A. Uh-huh. 04:54:35

20 Q. Is it right that the overtime issue was 04:54:36

21 just one on that list -- another one on that list? 04:54:38

22 A. I don't recall if it was specific or if it 04:54:43

23 wasn't. It was -- pretty soon, everything -- when 04:54:46

24 you're being badgered that much, pretty soon 04:54:51

25 everything becomes a blah -- a blur. 04:54:56



## 1 CERTIFICATION OF DEPOSITION OFFICER

2 I, WENDY L. VAN MEERBEKE, duly authorized to  
3 administer oaths pursuant to Section 2093(b) of the  
4 California Code of Civil Procedure, do hereby  
5 certify that the witness in the foregoing  
6 deposition was duly sworn by me to testify to the  
7 truth in the within entitled cause; that said  
8 deposition was taken at the time and place set  
9 forth; that the testimony of said witness was  
10 reported by me, a Certified Shorthand Reporter and  
11 a disinterested person, and was thereafter  
12 transcribed by computer under my direction into  
13 booklet form; that the witness was given an  
14 opportunity to read and correct said deposition and  
15 to subscribe to the same.

16 I further certify that I am not of counsel or  
17 attorney for either or any of the parties in the  
18 foregoing deposition and caption named, nor in any  
19 way interested in the outcome of the cause named in  
20 said caption.

21 Dated the 1st day of November, 2007.

22 

23 WENDY L. VAN MEERBEKE, CSR 3676  
24  
25

# **EXHIBIT I**

CONFIDENTIAL

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

KASSONDRA BAAS and KELLY  
LOFQUIST, individually  
and on behalf of all  
others similarly situated,

No. C 07-03108 JSW (ENE)

Plaintiffs,

vs.

DOLLAR TREE STORES, INC.,

Defendants.

DEPOSITION OF RICHARD A. TELLSTROM

Held at the Offices of

Verbatim Reporting Service

141 Stony Circle, Santa Rosa, California

Tuesday, November 13, 2007, 9:45 a.m.

**Verbatim**

A COMPUTERIZED REPORTING SERVICE  
(707) 575-1819 • (800) 634-4311 • FAX (707) 575-8541

1 Q. -- is that right?

2 As a district manager, do you travel from  
3 store to store?

4 A. Yes.

09:59:11 5 Q. Do you have any sort of set routine or --

6 A. No.

7 Q. -- do you vary that?

8 A. It varies. Try to get on a set routine, but  
9 something always comes up where we're doing  
09:59:22 10 something different.

11 Q. What would come up that would require your  
12 attention?

13 A. Give an example, I was at 2168 on a -- I  
14 don't remember what day it was. I got a phone call  
09:59:32 15 from my boss, Roz, that there was an issue at  
16 Lakeport, had the landlord call and say that the  
17 store was in shambles, stuff on the floor, sales  
18 aren't there; so I had to go take a look at it.

19 So, in other words, I didn't get to visit  
09:59:50 20 that store like I was planning to do and picked up  
21 and left immediately.

22 Q. That varied what your plans for the day had  
23 been?

24 A. Correct.

59:58 25 Q. Can you estimate for us how much time you

**Verbatim** ■

1 Q. When you say "RD," you're talking about  
2 your --

3 A. Roselyn --

4 Q. -- regional director?

10:15:59 5 A. Right. Roselyn Hammond.

6 Q. How does the store manager, to your  
7 observation, use that budget to plan the store's  
8 work?

9 MR. FIETZ: Objection. Foundation.

10:16:16 10 BY MS. MCCLAIN:

11 Q. Have you observed -- have you done that  
12 yourself as a store manager?

13 A. Yes.

14 Q. Have you observed other store managers doing  
10:16:22 15 it?

16 A. Yes.

17 Q. How -- how does that work?

18 A. Compass writes our schedules for the  
19 cashiers. So they go in and plug in what their  
10:16:31 20 assistants' hours are going to be and their freight  
21 crew hours are, and it gives them specific -- based  
22 on the forecasted sales for that store, gives them  
23 what -- what number they need to hit. Excuse me.

24 Q. Is that an ongoing evaluation process?

10:16:47 25 A. Yes. Every week.

**Verbatim** ■

1 Q. Whose job is it to make sure that they're  
2 held accountable for their responsibilities?

3 A. Store manager.

4 Q. Turning to 5, you have written about  
10:19:42 5 excessive store shrink and poor asset protection  
6 policy and procedures compliance. What does that  
7 reference?

8 A. Several times on the visits with John,  
9 we'd -- we'd go in the bathrooms and there would be  
10:19:53 10 stuff that wasn't store use, stuff throughout the  
11 store and using that hasn't been store use, such as  
12 cleaning -- cleaning supplies, paper towels. That's  
13 just shrink.

14 And then there would be -- asset protection  
10:20:10 15 would be incorrect deposit logs being not filled out  
16 by the assistants. Also, audits not being done.  
17 Just the general controls of asset protection.

18 Q. You said that there were goods that were not  
19 store used? Did I hear you correctly?

10:20:34 20 A. Yeah. They went in several times in the  
21 bathroom and there would be toothbrushes and hair  
22 combs, and cologne, stuff that -- evidently that the  
23 stockers would be using and not paid for.

24 Q. So these are goods from the store that  
10:20:51 25 weren't properly accounted for?

**Verbatim** ■

1 A. Correct.

2 Q. You said you found that audits were not being  
3 done by Mr. Hansen?

4 A. Yeah. Register audits. Not him in  
5 particular, just in the store. The store has to do  
6 10 a week, and I suggested to him several times that  
7 whoever the opening manager was would be accountable  
8 for one and the closing manager would be one.

9 Q. You found that they were not --

10 A. They were still not being done. He wasn't  
11 holding his people accountable.

12 Q. What does it mean to do a register audit?

13 A. Grabbing the money counter, take it out to  
14 the check stand, hitting an X reading on whatever  
15 cashier you wanted to do an audit, verifying  
16 whatever it said on the top of tape, how much sales  
17 is in that till. If it was above three or four  
18 bucks, it could have been a -- somebody that was  
19 underringing, stealing from the company.

20 Q. The item No. 7 on Exhibit 1 refers to  
21 significantly deficient overall store -- store  
22 merchandising presentation standards. And can you  
23 explain that to us.

24 A. Several times -- we have a planner that tells  
25 you what to put up, certain dates and guidelines

**Verbatim** ■

1 project that was going on, that it took more hours  
2 than we needed to help out the district.

3 Q. Is it ever your expectation, Mr. Tellstrom,  
4 that the store manager stop being a store manager  
14:02:07 5 and be a cashier or a stocker or to make payroll  
6 hours?

7 A. No. It's his job to run the building, not to  
8 be a cashier. If you want to be a cashier, we could  
9 have hired him for cashier, or stocker.

14:02:23 10 Q. Do you expect that there are enough hours  
11 allocated for the store manager to perform his job  
12 of management?

13 MR. FIETZ: Object to foundation.

14 THE WITNESS: Yes. With Compass writing and  
14:02:33 15 helping and being job specific, it's -- yes.

16 BY MS. MCCLAIN:

17 Q. You say do you know where your sales are  
18 now -- are at now. Excuse me. Why is that an  
19 important inquiry mid week?

14:02:51 20 A. Yeah. Sure. I don't know what day the 11th  
21 is. It could have been a Wednesday or a Thursday or  
22 Friday, and going into the weekend, that's where we  
23 have -- typically have stock crews so we can be  
24 weekend ready. And if they -- you know, if they  
23:06 25 don't have stock crews, then they're not going to

**Verbatim** ■



1 hit their sales, and they're not going to hit their  
2 SPEH.

3 (Whereupon, the document referred to  
4 was marked Defendants' Exhibit 19 for  
5 identification by the Reporter, a  
6 copy of which is attached hereto.)

7 BY MS. MCCLAIN:

8 Q. Is this exhibit an e-mail that you sent to  
9 store managers in your district in mid January of  
14:03:49 10 2007?

11 A. Yes.

12 Q. There's a reference to January 2007,  
13 operation clean sweep checklist.

14 A. Uh-huh.

14:04:07 15 Q. What does that refer to?

16 A. It was a checklist sent out to all the stores  
17 from corporate. January is kind of a fall cleaning  
18 kind of a deal. Start the new year off right.

19 Broke down sections that were supposed to be done  
14:04:20 20 and guidelines to get there and what -- how to break  
21 it up in the sections of the store to get it done  
22 and deadline dates that should be done with, you  
23 know, the break room, the check stands should be  
24 cleaned.

14:04:42 25 Q. There's a reference to store orders, 40

**Verbatim** ■

1 back, please, to times when you went to visit him,  
2 what did you see he was doing?

3 A. With John, I seem to find him up front or in  
4 the office. A few times on the sales floor. Few  
14:25:06 5 times in the back room. You know. Basically, same  
6 thing. I think with John, I -- he would probably be  
7 more in the office. He was -- he was always  
8 tired --

9 Q. How do you know that?

14:25:22 10 A. Oh, he had outside interests, baseball and  
11 stuff with his kids, that kept him busy.

12 Q. Did he tell you he was tired?

13 A. Oh, yeah. He'd be sitting in the chair, I'd  
14 be there one morning, early, and he'd -- he'd doze  
14:25:36 15 off, and I'd say, "Hey, what's the matter?"

16 "Oh, I'm just tired. Been, you know, burning  
17 both ends of the bridge."

18 And, you know, his assistants would tell me  
19 that he'd be sleeping in the office or in the back  
14:25:46 20 room on several occasions. I'd see him with the  
21 planner on the floor and trying to figure out what  
22 he's going to do next and how to move it. You know.

23 Q. I'd like you to ask -- to answer the same  
24 question with respect to Mr. Runnings. Can you tell  
26:05 25 us what you have observed him doing when you have

**Verbatim** ■

1 arrived at the store.

2 A. Depends on the time of the day. Most of the  
3 time, if it's in the morning, he's in his office.  
4 Sometimes he might be out throwing frozen. I've  
14:26:20 5 caught him unloading trucks, cashiering, a little  
6 bit of training cashiering.

7 Q. When you say you've caught him throwing  
8 trucks, what do you mean by that?

9 A. Unloading the trucks.

14:26:32 10 Q. Why do you use the term "caught"?

11 A. Just working.

12 Q. Have you had the kind of conversation you  
13 told us about when you told him to stop throwing  
14 freight and start doing other things, have you had  
14:26:46 15 that conversation with him on more than one  
16 occasion?

17 A. Yes.

18 Q. And what has been the essence of those  
19 conversations with him?

14:26:56 20 A. How's the work going to get done. I'm faster  
21 at it. You know, kind of an attitude where he's the  
22 only one that's going to get everything done to make  
23 a difference instead of using through his people.

24 Q. Have you tried to disabuse him of that  
14:27:24 25 attitude?

**Verbatim** ■

1 A. Oh, yeah.

2 Q. Have you been successful?

3 A. Not really. No. He's -- change is hard with  
4 him. And going through so many assistants, it's  
14:27:39 5 made it harder for him because he's got to keep  
6 retraining and reteaching people that keep going  
7 through his store.

8 Q. How does turnover affect a store manager's  
9 job responsibility?

14:27:55 10 A. Oh, turnover is the productivity definitely  
11 goes down, morale goes down, you got to spend a lot  
12 more teaching and training to get everybody up to  
13 speed to be more productive to get things done.  
14 It's -- it's frustrating for a store manager to keep  
14:28:14 15 going through assistants.

16 Q. Have you worked with the store managers in  
17 your district to try to reduce turnover?

18 A. Getting better at it. Sure.

19 Q. What have you done toward that end?

14:28:27 20 A. Let them pick and choose who they're going to  
21 bring on board after I've, you know, screened them  
22 and checked to make sure that that's the candidate  
23 we want. Is it a short-term thing on a long-term  
24 fix, or are they the right candidate.

28:41 25 I'll give an example. I brought Marty on

**Verbatim** ■

1 you're doing great?

2 A. Kind of a -- kind of a rah-rah thing, saying  
3 hey, you know what, this is where you're at. To  
4 help them out, figure out where they were if they  
16:39:43 5 couldn't figure it out themselves.

6 Q. A rah-rah for the people doing great, but not  
7 for the people you're telling to cut?

8 A. No. No. To let them know that they need to  
9 cut. To communicate with them the directions they  
16:39:53 10 needed to go the rest of the week. And some of  
11 them -- you know, 1845, he already had a plan. Most  
12 of the store managers -- I know Felice would have a  
13 plan to make sure that she would hit her numbers.

14 Q. Felice is the manager of the Bennett Valley  
16:40:06 15 store?

16 A. Yes.

17 Q. What number is that?

18 A. 2168. You want the names of them all? We  
19 can go down from the top.

16:40:20 20 Q. No. We'll -- I'll go over that with you in a  
21 minute. But thank you.

22 A. Okay.

23 Q. Through a few of the e-mails we've gone  
24 through today, there have been mentions of meeting  
40:36 25 SPEH, needing to potentially cut hours to meet

**Verbatim** ■

1 written communications to your store managers?

2 A. Possibly once -- once a week. Possibly.

3 Q. Okay. That's your best estimate?

4 A. If that.

16:42:29 5 Q. Can you give me any estimate as to how often  
6 you would receive written communications from your  
7 boss, the regional manager, whoever it happened to  
8 be at the time, concerning the need to hit payroll?  
9 Again, we've seen at least one, possibly two that  
16:42:48 10 you may have received --

11 A. Verbally --

12 Q. -- concerning that?

13 A. Verbally, conference call every week.

14 Q. And how often would you receive written  
16:42:58 15 communications in that regard?

16 A. You know, I'm not sure on that.

17 Q. Do you have an estimate?

18 A. No.

19 Q. You weren't surprised to receive e-mails from  
16:43:10 20 your regional manager concerning the need to hit  
21 payroll?

22 A. No. It was an expectation.

23 Q. How often would you have conference calls?  
24 Once a week?

43:23 25 A. Yes.

**Verbatim** ■

1 Q. Is that --

2 A. Once or twice.

3 Q. Has that been the same since you became the  
4 district manager?

16:43:31 5 A. Yeah. Probably pretty close to every Monday.  
6 Monday or Friday we'd have a conference call.

7 Q. And did you have one yesterday?

8 A. I'm trying to think. Yes. Yes. Yes. From  
9 1:00 to 2:30.

16:43:54 10 Q. Who is it that called you?

11 A. Well, we call him on the conference -- all  
12 the DMS call in on a conference call number, and Roz  
13 and Candice and Jennifer and anybody else that they  
14 have on the itinerary is on it.

16:44:08 15 Q. Who leads the meeting?

16 A. Roselyn.

17 Q. So this would be all the district managers --

18 A. For her.

19 Q. For her.

16:44:19 20 A. Six of them.

21 Q. And do you go over the same material every  
22 week, or is there different stuff that you go over?

23 A. Different stuff.

24 Q. What is it you went over yesterday?

16:44:31 25 A. Oh, sales, payroll, merchandise bulletin, HR

**Verbatim** ■

1 which hours are calculated based upon estimated  
2 sales in a similar way to SPEH, but they don't  
3 fluctuate from week to week; is that fair?

4 A. Correct.

16:50:58 5 Q. And how is it that those straight hours or  
6 strict hours are calculated; do you know?

7 A. Well, I've got a MISPH worksheet that breaks  
8 down all 12 stores, what the forecasted sales are  
9 for the month. What I do is take a look and see  
16:51:16 10 what they have, give an estimate for that month and  
11 give them a ballpark figure instead of going highs  
12 and lows. And some stores might fluctuate 20 or 30  
13 hours in a week, which, No. 1, they'd have to hire  
14 more people; No. 2, they probably couldn't give  
16:51:32 15 enough of the hours away.

16 Q. So if I understand it, then, over time, you  
17 expect that there are probably an approximate number  
18 of hours being assigned, it's simply done on a more  
19 long-term basis as opposed to a week-to-week basis?

16:51:51 20 A. Correct. It's still a weekly basis, but  
21 it's -- it can be a weekly or it could be monthly.  
22 What I would -- this month here, we're in the --  
23 this is the third -- third week. The first week it  
24 was SPEH, that didn't work. So I've gone down to  
16:52:08 25 hours the next two weeks. And then the third

**Verbatim** ■



1 A. Correct.

2 Q. In fact, it was color-coded to indicate  
3 there's a missing punch here, action must be taken?

4 A. Correct.

17:08:02 5 Q. Other than supplying missing punches, were  
6 there ever any other occasions that you would supply  
7 punches to the Compass system?

8 A. Not that I recall. Just, you know, normal  
9 punch in and punch out.

17:08:12 10 Q. Missing punches?

11 A. Correct.

12 Q. So there was no occasion that you had as a  
13 store manager in which you changed an employee punch  
14 from something the employee had input themselves to  
17:08:24 15 something different?

16 A. Not that I can recall.

17 Q. Do you have any understanding one way or the  
18 other whether any of the assistant managers working  
19 under you, while you were a store manager, made any  
17:08:48 20 changes at all to employee punches that had been  
21 input by the employee?

22 A. Not to my knowledge.

23 Q. Would you approve of that?

24 A. Of course not.

08:58 25 Q. Why not?

**Verbatim** ■

1 correct?

2 A. Sure.

3 Q. And those occasions might have occurred  
4 because lineups were getting long?

17:21:06 5 A. Correct. Yes.

6 Q. Have you ever threatened Mr. Hansen with the  
7 loss of his job?

8 A. No.

9 Q. For any reason?

17:21:38 10 A. No.

11 Q. You've never said, "John, if you don't  
12 straighten up, we're going to let you go"?

13 A. No.

14 Q. Never?

17:21:43 15 A. No.

16 Q. So if he said that you regularly told him  
17 that he could lose his job, that's not accurate?

18 A. That's not accurate at all. No.

19 Q. If other people testified that they

17:22:04 20 personally observed you reprimanding John in terms  
21 of saying that he's going to be fired if he doesn't  
22 do something, they would also be inaccurate?

23 A. Yes.

24 MS. MCCLAIN: Objection. Lack of foundation.

22:15 25 THE WITNESS: Yes.

**Verbatim** ■

1 STATE OF CALIFORNIA )  
2 County of Sonoma . )  
3

4 I, BRENDA L. MARSHALL, holding CSR License  
5 No. 6939, a Certified Shorthand Reporter, licensed  
6 by the State of California, hereby certify that,  
7 pursuant to Notice to take the foregoing deposition,  
8 said witness was by me duly sworn to tell the truth,  
9 the whole truth and nothing but the truth in the  
10 within-entitled cause; that the testimony of the  
11 said witness was recorded by me by stenotype, and  
12 that said deposition was, under my direction  
13 thereafter, reduced to computer transcript and, when  
14 completed, was available to said witness for  
15 signature before any Notary Public.

16 I further certify that I am not of counsel or  
17 attorney for either of the parties to said  
18 deposition, nor in any way interested in the outcome  
19 of the cause named in the caption.

20 IN WITNESS WHEREOF, I have hereunto set my  
21 hand this 27th day of November, 2007.  
22

23   
24 BRENDA L. MARSHALL  
25 Certified Shorthand Reporter  
California License 6939

**Verbatim** 